COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

.

In the Matter of:

NOTICE OF PURCHASED GAS ADJUSTMENT PILING OF AUXIER ROAD GAS COMPANY, INC.

CASE NO. 8768-E & P

ORDER

On September 16, 1983, the Commission issued its Order in Case No. 8768 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On December 19, 1983, Auxier Road Gas Company, Inc., ("Auxier") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia") and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) By Order issued November 23, 1983, the Commission granted Columbia increased rates on Rehearing in Case No. 8738 in the amount of 8.3 cents per Mcf. On December 12, 1983, Columbia filed an application for decreased rates to be effective January

- 1, 1984, in the amount of 2.9 cents per Mcf. On December 19, 1983, in Case No. 8768-E and 8768-F, Auxier requested permission to track Columbia's increase and decrease respectively. The net effect is an increase of 5.4 cents per Mcf.
- (2) Auxier's notice of December 19, 1983, set out certain revisions in rates which Auxier proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$5,556 and the wholesale decrease in the amount of \$1,941. The net effect is an increase in purchased gas cost of \$3,615.
- (3) Auxier's notice in Case No. 8768-E requested an effective date of November 23, 1983, for its proposed increased rates. The notice in Case No. 8768-F requested an effective date of January 1, 1984, for its proposed decreased rates. Kentucky statutes require 20-day notice be provided before increased rates may be placed into effect. Auxier does not provide this notice; therefore, the authorized rates should be effective on and after January 8, 1984.
- (4) Auxier's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8768 dated September 16, 1983, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after January 8, 1984.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after January 8, 1984.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Auxier shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 9th day of January, 1984.

PUBLIC SERVICE COMMISSION

Vice Chairman

Commissioner

ATTEST:

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 8768-E & F DATED JANUARY 9, 1984.

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 1,000 cu. ft.

\$8.782 Minimum Bill

All Over 1,000 cu. ft.

7.982 per 1,000 cu. ft.

The base rate for the future application of the purchased gas adjustment clause of Auxier Road Gas Company, Inc., shall be:

Commodity

Columbia Gas of Kentucky, Inc.

\$5.666 per Mcf